

Internal Revenue Service

Department of the Treasury
P.O. Box 260, Newark, N.J. 07101District
Director

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Certified Mail

Person to Contact:

Telephone Number:

Refer Reply to:

Date:

NOV 1 1984

Gentlemen:

We have considered your application for exemption from Federal income tax under the provisions of Section 501(a) and as an organization described in section 501(c)(4) of the Internal Revenue Code.

Section 501(c)(4) of the Code exempts organizations "...not organized for profit but operated exclusively for the promotion of social welfare..."

Section 1.501(c)(4)-1(a)(2)(i) of the Income Tax Regulations describes a social welfare organization as one that is "...operated primarily for the purpose of...civic betterments and social improvements."

Your organization is organized and operated to manage and maintain the general and limited common elements of your condominium. This includes the maintenance, preservation, care and upkeep of the common elements.

Revenue Ruling 74-17, 1974-1 C.B. 131 has held that by virtue of the essential nature and structure of a condominium system and by the maintenance and care of the common elements it constitutes the provision of private benefits for the unit owners. It also held that a condominium association cannot be said to be operated exclusively for the promotion of social welfare.

Since your organization is similar and of the type of such condominium association, your organization is not organized or operated exclusively for the promotion of social welfare. Your organization is operating for the primary interests of your unit owners and constitutes the provisions of private benefits of your members.

Accordingly, your organization is not qualified for exemption under section 501(c)(4) of the Code. Furthermore, you are not qualified for exemption under any other related paragraph of Section 501(c).


Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Surname							
Date	10-19-84	10-22-84	11/1/84				

You are required to file Federal income tax returns on Form 1120 within two and one-half months following the end of your annual accounting period.

Publication 892, which accompanies this letter, describes your appeal rights fully should you decide to appeal this ruling.

If we do not hear from you within thirty days of the date of this letter, this will become our final determination on the matter.

Sincerely yours,


District Director

Enclosure:
Publication 892